

No. CTS-71/2007/31

Dtd. Dispur the 29th April, 2008.

Sub: Regarding the rate of VAT on stock of Biscuits, ITC on raw materials and packing materials.

Extract of the Order

It is clarified that ITC is allowable on the stock of biscuits on 4-2-2008 as biscuit is made taxable under Fifth Schedule from that date onwards. Therefore, the dealer can claim ITC provided that the manufacture possess tax invoice in the prescribed form (in original) evidencing the amount of input tax paid on purchase of raw materials and packing materials. However, the ITC will be limited to quantity or raw materials and packing materials utilized fro the stock of biscuits on 4-2-2008.

The Dealer can claim ITC on sale of biscuits manufactured out of the stock of raw materials in his possession as on 3-2-2008 provided he has the tax invoice in original for purchase of such goods.

Sd/ (Sanjay Lohiya)
Commissioner of Taxes, Assam
Dispur, Guwahati.